

SENATE BILL No. 926

October 20, 2009, Introduced by Senator THOMAS and referred to the Committee on Education.

A bill to amend 1979 PA 94, entitled
"The state school aid act of 1979,"
by amending sections 3 and 6 (MCL 388.1603 and 388.1606), section 3
as amended by 2008 PA 268 and section 6 as amended by 2009 PA 73,
and by adding section 27.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 3. (1) "Average daily attendance", for the purposes of
2 complying with federal law, means 92% of the pupils counted in
3 membership on the pupil membership count day, as defined in section
4 6(7).

5 (2) "Board" means the governing body of a district or public
6 school academy.

7 (3) "Center" means the center for educational performance and

1 information created in section 94a.

2 (4) "Cooperative education program" means a written voluntary
3 agreement between and among districts to provide certain
4 educational programs for pupils in certain groups of districts. The
5 written agreement shall be approved by all affected districts at
6 least annually and shall specify the educational programs to be
7 provided and the estimated number of pupils from each district who
8 will participate in the educational programs.

9 (5) "Department", except in section 107, means the department
10 of education.

11 (6) "District" means a local school district established under
12 the revised school code or, except in sections 6(4), 6(6), 11n, 13,
13 20, 22a, 23, **27**, 29, 31a, 99j, 99k, 51a(15), 105, and 105c, a
14 public school academy. Except in sections 6(4), 6(6), 11n, 13, 20,
15 22a, **27**, 29, 99j, 99k, 51a(15), 105, and 105c, district also
16 includes a university school.

17 (7) "District of residence", except as otherwise provided in
18 this subsection, means the district in which a pupil's custodial
19 parent or parents or legal guardian resides. For a pupil described
20 in section 24b, the pupil's district of residence is the district
21 in which the pupil enrolls under that section. For a pupil
22 described in section 6(4)(d), the pupil's district of residence
23 shall be considered to be the district or intermediate district in
24 which the pupil is counted in membership under that section. For a
25 pupil under court jurisdiction who is placed outside the district
26 in which the pupil's custodial parent or parents or legal guardian
27 resides, the pupil's district of residence shall be considered to

1 be the educating district or educating intermediate district.

2 (8) "District superintendent" means the superintendent of a
3 district, the chief administrator of a public school academy, or
4 the chief administrator of a university school.

5 Sec. 6. (1) "Center program" means a program operated by a
6 district or intermediate district for special education pupils from
7 several districts in programs for pupils with autism spectrum
8 disorder, pupils with severe cognitive impairment, pupils with
9 moderate cognitive impairment, pupils with severe multiple
10 impairments, pupils with hearing impairment, pupils with visual
11 impairment, and pupils with physical impairment or other health
12 impairment. Programs for pupils with emotional impairment housed in
13 buildings that do not serve regular education pupils also qualify.
14 Unless otherwise approved by the department, a center program
15 either shall serve all constituent districts within an intermediate
16 district or shall serve several districts with less than 50% of the
17 pupils residing in the operating district. In addition, special
18 education center program pupils placed part-time in noncenter
19 programs to comply with the least restrictive environment
20 provisions of section 612 of part B of the individuals with
21 disabilities education act, 20 USC 1412, may be considered center
22 program pupils for pupil accounting purposes for the time scheduled
23 in either a center program or a noncenter program.

24 (2) "District and high school graduation rate" means the
25 annual completion and pupil dropout rate that is calculated by the
26 center pursuant to nationally recognized standards.

27 (3) "District and high school graduation report" means a

1 report of the number of pupils, excluding adult participants, in
2 the district for the immediately preceding school year, adjusted
3 for those pupils who have transferred into or out of the district
4 or high school, who leave high school with a diploma or other
5 credential of equal status.

6 (4) "Membership", except as otherwise provided in this act,
7 means for a district, public school academy, university school, or
8 intermediate district the sum of the product of .75 times the
9 number of full-time equated pupils in grades K to 12 actually
10 enrolled and in regular daily attendance on the pupil membership
11 count day for the current school year, plus the product of .25
12 times the final audited count from the supplemental count day for
13 the immediately preceding school year. All pupil counts used in
14 this subsection are as determined by the department and calculated
15 by adding the number of pupils registered for attendance plus
16 pupils received by transfer and minus pupils lost as defined by
17 rules promulgated by the superintendent, and as corrected by a
18 subsequent department audit. The amount of the foundation allowance
19 for a pupil in membership is determined under section 20. In making
20 the calculation of membership, all of the following, as applicable,
21 apply to determining the membership of a district, public school
22 academy, university school, or intermediate district:

23 (a) Except as otherwise provided in this subsection, and
24 pursuant to subsection (6), a pupil shall be counted in membership
25 in the pupil's educating district or districts. An individual pupil
26 shall not be counted for more than a total of 1.0 full-time equated
27 membership.

1 (b) If a pupil is educated in a district other than the
2 pupil's district of residence, if the pupil is not being educated
3 as part of a cooperative education program, if the pupil's district
4 of residence does not give the educating district its approval to
5 count the pupil in membership in the educating district, and if the
6 pupil is not covered by an exception specified in subsection (6) to
7 the requirement that the educating district must have the approval
8 of the pupil's district of residence to count the pupil in
9 membership, the pupil shall not be counted in membership in any
10 district.

11 (c) A special education pupil educated by the intermediate
12 district shall be counted in membership in the intermediate
13 district.

14 (d) A pupil placed by a court or state agency in an on-grounds
15 program of a juvenile detention facility, a child caring
16 institution, or a mental health institution, or a pupil funded
17 under section 53a, shall be counted in membership in the district
18 or intermediate district approved by the department to operate the
19 program.

20 (e) A pupil enrolled in the Michigan schools for the deaf and
21 blind shall be counted in membership in the pupil's intermediate
22 district of residence.

23 (f) A pupil enrolled in a vocational education program
24 supported by a millage levied over an area larger than a single
25 district or in an area vocational-technical education program
26 established pursuant to section 690 of the revised school code, MCL
27 380.690, shall be counted only in the pupil's district of

1 residence.

2 (g) A pupil enrolled in a university school shall be counted
3 in membership in the university school.

4 (h) A pupil enrolled in a public school academy shall be
5 counted in membership in the public school academy.

6 (i) For a new district, university school, or public school
7 academy beginning its operation after December 31, 1994, membership
8 for the first 2 full or partial fiscal years of operation shall be
9 determined as follows:

10 (i) If operations begin before the pupil membership count day
11 for the fiscal year, membership is the average number of full-time
12 equated pupils in grades K to 12 actually enrolled and in regular
13 daily attendance on the pupil membership count day for the current
14 school year and on the supplemental count day for the current
15 school year, as determined by the department and calculated by
16 adding the number of pupils registered for attendance on the pupil
17 membership count day plus pupils received by transfer and minus
18 pupils lost as defined by rules promulgated by the superintendent,
19 and as corrected by a subsequent department audit, plus the final
20 audited count from the supplemental count day for the current
21 school year, and dividing that sum by 2.

22 (ii) If operations begin after the pupil membership count day
23 for the fiscal year and not later than the supplemental count day
24 for the fiscal year, membership is the final audited count of the
25 number of full-time equated pupils in grades K to 12 actually
26 enrolled and in regular daily attendance on the supplemental count
27 day for the current school year.

1 (j) If a district is the authorizing body for a public school
2 academy, then, in the first school year in which pupils are counted
3 in membership on the pupil membership count day in the public
4 school academy, the determination of the district's membership
5 shall exclude from the district's pupil count for the immediately
6 preceding supplemental count day any pupils who are counted in the
7 public school academy on that first pupil membership count day who
8 were also counted in the district on the immediately preceding
9 supplemental count day.

10 (k) In a district, public school academy, university school,
11 or intermediate district operating an extended school year program
12 approved by the superintendent, a pupil enrolled, but not scheduled
13 to be in regular daily attendance on a pupil membership count day,
14 shall be counted.

15 (l) Pupils to be counted in membership shall be not less than 5
16 years of age on December 1 and less than 20 years of age on
17 September 1 of the school year except a special education pupil who
18 is enrolled and receiving instruction in a special education
19 program or service approved by the department and not having a high
20 school diploma who is less than 26 years of age as of September 1
21 of the current school year shall be counted in membership.

22 (m) An individual who has obtained a high school diploma shall
23 not be counted in membership. An individual who has obtained a
24 general educational development (G.E.D.) certificate shall not be
25 counted in membership. An individual participating in a job
26 training program funded under former section 107a or a jobs program
27 funded under former section 107b, administered by the Michigan

1 strategic fund or the department of **ENERGY**, labor, and economic
2 growth, or participating in any successor of either of those 2
3 programs, shall not be counted in membership.

4 (n) If a pupil counted in membership in a public school
5 academy is also educated by a district or intermediate district as
6 part of a cooperative education program, the pupil shall be counted
7 in membership only in the public school academy unless a written
8 agreement signed by all parties designates the party or parties in
9 which the pupil shall be counted in membership, and the
10 instructional time scheduled for the pupil in the district or
11 intermediate district shall be included in the full-time equated
12 membership determination under subdivision (q). However, for pupils
13 receiving instruction in both a public school academy and in a
14 district or intermediate district but not as a part of a
15 cooperative education program, the following apply:

16 (i) If the public school academy provides instruction for at
17 least 1/2 of the class hours specified in subdivision (q), the
18 public school academy shall receive as its prorated share of the
19 full-time equated membership for each of those pupils an amount
20 equal to 1 times the product of the hours of instruction the public
21 school academy provides divided by the number of hours specified in
22 subdivision (q) for full-time equivalency, and the remainder of the
23 full-time membership for each of those pupils shall be allocated to
24 the district or intermediate district providing the remainder of
25 the hours of instruction.

26 (ii) If the public school academy provides instruction for less
27 than 1/2 of the class hours specified in subdivision (q), the

1 district or intermediate district providing the remainder of the
2 hours of instruction shall receive as its prorated share of the
3 full-time equated membership for each of those pupils an amount
4 equal to 1 times the product of the hours of instruction the
5 district or intermediate district provides divided by the number of
6 hours specified in subdivision (q) for full-time equivalency, and
7 the remainder of the full-time membership for each of those pupils
8 shall be allocated to the public school academy.

9 (o) An individual less than 16 years of age as of September 1
10 of the current school year who is being educated in an alternative
11 education program shall not be counted in membership if there are
12 also adult education participants being educated in the same
13 program or classroom.

14 (p) The department shall give a uniform interpretation of
15 full-time and part-time memberships.

16 (q) The number of class hours used to calculate full-time
17 equated memberships shall be consistent with section 101(3). In
18 determining full-time equated memberships for pupils who are
19 enrolled in a postsecondary institution, a pupil shall not be
20 considered to be less than a full-time equated pupil solely because
21 of the effect of his or her postsecondary enrollment, including
22 necessary travel time, on the number of class hours provided by the
23 district to the pupil.

24 (r) Except as otherwise provided in this subdivision, full-
25 time equated memberships for pupils in kindergarten shall be
26 determined by dividing the number of class hours scheduled and
27 provided per year per kindergarten pupil by a number equal to 1/2

1 the number used for determining full-time equated memberships for
2 pupils in grades 1 to 12.

3 (s) For a district, university school, or public school
4 academy that has pupils enrolled in a grade level that was not
5 offered by the district, university school, or public school
6 academy in the immediately preceding school year, the number of
7 pupils enrolled in that grade level to be counted in membership is
8 the average of the number of those pupils enrolled and in regular
9 daily attendance on the pupil membership count day and the
10 supplemental count day of the current school year, as determined by
11 the department. Membership shall be calculated by adding the number
12 of pupils registered for attendance in that grade level on the
13 pupil membership count day plus pupils received by transfer and
14 minus pupils lost as defined by rules promulgated by the
15 superintendent, and as corrected by subsequent department audit,
16 plus the final audited count from the supplemental count day for
17 the current school year, and dividing that sum by 2.

18 (t) A pupil enrolled in a cooperative education program may be
19 counted in membership in the pupil's district of residence with the
20 written approval of all parties to the cooperative agreement.

21 (u) If, as a result of a disciplinary action, a district
22 determines through the district's alternative or disciplinary
23 education program that the best instructional placement for a pupil
24 is in the pupil's home or otherwise apart from the general school
25 population, if that placement is authorized in writing by the
26 district superintendent and district alternative or disciplinary
27 education supervisor, and if the district provides appropriate

1 instruction as described in this subdivision to the pupil at the
2 pupil's home or otherwise apart from the general school population,
3 the district may count the pupil in membership on a pro rata basis,
4 with the proration based on the number of hours of instruction the
5 district actually provides to the pupil divided by the number of
6 hours specified in subdivision (q) for full-time equivalency. For
7 the purposes of this subdivision, a district shall be considered to
8 be providing appropriate instruction if all of the following are
9 met:

10 (i) The district provides at least 2 nonconsecutive hours of
11 instruction per week to the pupil at the pupil's home or otherwise
12 apart from the general school population under the supervision of a
13 certificated teacher.

14 (ii) The district provides instructional materials, resources,
15 and supplies, except computers, that are comparable to those
16 otherwise provided in the district's alternative education program.

17 (iii) Course content is comparable to that in the district's
18 alternative education program.

19 (iv) Credit earned is awarded to the pupil and placed on the
20 pupil's transcript.

21 (v) For 2007-2008 only, a pupil enrolled in an alternative or
22 disciplinary education program described in section 25 shall be
23 counted in membership in the district or public school academy that
24 expelled the pupil.

25 (w) If a pupil was enrolled in a public school academy on the
26 pupil membership count day, if the public school academy's contract
27 with its authorizing body is revoked or the public school academy

1 otherwise ceases to operate, and if the pupil enrolls in a district
2 within 45 days after the pupil membership count day, the department
3 shall adjust the district's pupil count for the pupil membership
4 count day to include the pupil in the count.

5 (x) For a public school academy that has been in operation for
6 at least 2 years and that suspended operations for at least 1
7 semester and is resuming operations, membership is the sum of the
8 product of .75 times the number of full-time equated pupils in
9 grades K to 12 actually enrolled and in regular daily attendance on
10 the first pupil membership count day or supplemental count day,
11 whichever is first, occurring after operations resume, plus the
12 product of .25 times the final audited count from the most recent
13 pupil membership count day or supplemental count day that occurred
14 before suspending operations, as determined by the superintendent.

15 (y) If a district's membership for a particular fiscal year,
16 as otherwise calculated under this subsection, would be less than
17 1,550 pupils and the district has 4.5 or fewer pupils per square
18 mile, as determined by the department, and, beginning in 2007-2008,
19 if the district does not receive funding under section 22d(2), the
20 district's membership shall be considered to be the membership
21 figure calculated under this subdivision. If a district educates
22 and counts in its membership pupils in grades 9 to 12 who reside in
23 a contiguous district that does not operate grades 9 to 12 and if 1
24 or both of the affected districts request the department to use the
25 determination allowed under this sentence, the department shall
26 include the square mileage of both districts in determining the
27 number of pupils per square mile for each of the districts for the

1 purposes of this subdivision. The membership figure calculated
2 under this subdivision is the greater of the following:

3 (i) The average of the district's membership for the 3-fiscal-
4 year period ending with that fiscal year, calculated by adding the
5 district's actual membership for each of those 3 fiscal years, as
6 otherwise calculated under this subsection, and dividing the sum of
7 those 3 membership figures by 3.

8 (ii) The district's actual membership for that fiscal year as
9 otherwise calculated under this subsection.

10 (z) If a public school academy that is not in its first or
11 second year of operation closes at the end of a school year and
12 does not reopen for the next school year, the department shall
13 adjust the membership count of the district in which a former pupil
14 of the public school academy enrolls and is in regular daily
15 attendance for the next school year to ensure that the district
16 receives the same amount of membership aid for the pupil as if the
17 pupil were counted in the district on the supplemental count day of
18 the preceding school year.

19 (aa) Full-time equated memberships for preprimary-aged special
20 education pupils who are not enrolled in kindergarten but are
21 enrolled in a classroom program under R 340.1754 of the Michigan
22 administrative code shall be determined by dividing the number of
23 class hours scheduled and provided per year by 450. Full-time
24 equated memberships for preprimary-aged special education pupils
25 who are not enrolled in kindergarten but are receiving nonclassroom
26 services under R 340.1755 of the Michigan administrative code shall
27 be determined by dividing the number of hours of service scheduled

1 and provided per year per pupil by 180.

2 (bb) A pupil of a district that begins its school year after
3 Labor day who is enrolled in an intermediate district program that
4 begins before Labor day shall not be considered to be less than a
5 full-time pupil solely due to instructional time scheduled but not
6 attended by the pupil before Labor day.

7 (cc) For the first year in which a pupil is counted in
8 membership on the pupil membership count day in a middle college
9 program described in section 64, the membership is the average of
10 the full-time equated membership on the pupil membership count day
11 and on the supplemental count day for the current school year, as
12 determined by the department. If a pupil was counted by the
13 operating district on the immediately preceding supplemental count
14 day, the pupil shall be excluded from the district's immediately
15 preceding supplemental count for purposes of determining the
16 district's membership.

17 (5) "Public school academy" means a public school academy,
18 urban high school academy, **SCHOOL OF EXCELLENCE**, or strict
19 discipline academy operating under the revised school code.

20 (6) "Pupil" means a person in membership in a public school. A
21 district must have the approval of the pupil's district of
22 residence to count the pupil in membership, except approval by the
23 pupil's district of residence is not required for any of the
24 following:

25 (a) A nonpublic part-time pupil enrolled in grades 1 to 12 in
26 accordance with section 166b.

27 (b) A pupil receiving 1/2 or less of his or her instruction in

1 a district other than the pupil's district of residence.

2 (c) A pupil enrolled in a public school academy or university
3 school.

4 (d) A pupil enrolled in a district other than the pupil's
5 district of residence under an intermediate district schools of
6 choice pilot program as described in section 91a or former section
7 91 if the intermediate district and its constituent districts have
8 been exempted from section 105.

9 (e) A pupil enrolled in a district other than the pupil's
10 district of residence if the pupil is enrolled in accordance with
11 section 105 or 105c.

12 (f) A pupil who has made an official written complaint or
13 whose parent or legal guardian has made an official written
14 complaint to law enforcement officials and to school officials of
15 the pupil's district of residence that the pupil has been the
16 victim of a criminal sexual assault or other serious assault, if
17 the official complaint either indicates that the assault occurred
18 at school or that the assault was committed by 1 or more other
19 pupils enrolled in the school the pupil would otherwise attend in
20 the district of residence or by an employee of the district of
21 residence. A person who intentionally makes a false report of a
22 crime to law enforcement officials for the purposes of this
23 subdivision is subject to section 411a of the Michigan penal code,
24 1931 PA 328, MCL 750.411a, which provides criminal penalties for
25 that conduct. As used in this subdivision:

26 (i) "At school" means in a classroom, elsewhere on school
27 premises, on a school bus or other school-related vehicle, or at a

1 school-sponsored activity or event whether or not it is held on
2 school premises.

3 (ii) "Serious assault" means an act that constitutes a felony
4 violation of chapter XI of the Michigan penal code, 1931 PA 328,
5 MCL 750.81 to 750.90g, or that constitutes an assault and
6 infliction of serious or aggravated injury under section 81a of the
7 Michigan penal code, 1931 PA 328, MCL 750.81a.

8 (g) A pupil whose district of residence changed after the
9 pupil membership count day and before the supplemental count day
10 and who continues to be enrolled on the supplemental count day as a
11 nonresident in the district in which he or she was enrolled as a
12 resident on the pupil membership count day of the same school year.

13 (h) A pupil enrolled in an alternative education program
14 operated by a district other than his or her district of residence
15 who meets 1 or more of the following:

16 (i) The pupil has been suspended or expelled from his or her
17 district of residence for any reason, including, but not limited
18 to, a suspension or expulsion under section 1310, 1311, or 1311a of
19 the revised school code, MCL 380.1310, 380.1311, and 380.1311a.

20 (ii) The pupil had previously dropped out of school.

21 (iii) The pupil is pregnant or is a parent.

22 (iv) The pupil has been referred to the program by a court.

23 (v) The pupil is enrolled in an alternative or disciplinary
24 education program described in section 25.

25 (i) A pupil enrolled in the Michigan virtual high school, for
26 the pupil's enrollment in the Michigan virtual high school.

27 (j) A pupil who is the child of a person who is employed by

1 the district. As used in this subdivision, "child" includes an
2 adopted child, stepchild, or legal ward.

3 (k) An expelled pupil who has been denied reinstatement by the
4 expelling district and is reinstated by another school board under
5 section 1311 or 1311a of the revised school code, MCL 380.1311 and
6 380.1311a.

7 (l) A pupil enrolled in a district other than the pupil's
8 district of residence in a program described in section 64 if the
9 pupil's district of residence and the enrolling district are both
10 constituent districts of the same intermediate district.

11 (m) A pupil enrolled in a district other than the pupil's
12 district of residence who attends a United States Olympic education
13 center.

14 However, if a district that is not a first class district
15 educates pupils who reside in a first class district and if the
16 primary instructional site for those pupils is located within the
17 boundaries of the first class district, the educating district must
18 have the approval of the first class district to count those pupils
19 in membership. As used in this subsection, "first class district"
20 means a district organized as a school district of the first class
21 under the revised school code.

22 (7) "Pupil membership count day" of a district or intermediate
23 district means:

24 (a) Except as provided in subdivision (b), the fourth
25 Wednesday after Labor day each school year or, for a district or
26 building in which school is not in session on that Wednesday due to
27 conditions not within the control of school authorities, with the

1 approval of the superintendent, the immediately following day on
2 which school is in session in the district or building.

3 (b) For a district or intermediate district maintaining school
4 during the entire school year, the following days:

5 (i) Fourth Wednesday in July.

6 (ii) Fourth Wednesday after Labor day.

7 (iii) Second Wednesday in February.

8 (iv) Fourth Wednesday in April.

9 (8) "Pupils in grades K to 12 actually enrolled and in regular
10 daily attendance" means pupils in grades K to 12 in attendance and
11 receiving instruction in all classes for which they are enrolled on
12 the pupil membership count day or the supplemental count day, as
13 applicable. Except as otherwise provided in this subsection, a
14 pupil who is absent from any of the classes in which the pupil is
15 enrolled on the pupil membership count day or supplemental count
16 day and who does not attend each of those classes during the 10
17 consecutive school days immediately following the pupil membership
18 count day or supplemental count day, except for a pupil who has
19 been excused by the district, shall not be counted as 1.0 full-time
20 equated membership. A pupil who is excused from attendance on the
21 pupil membership count day or supplemental count day and who fails
22 to attend each of the classes in which the pupil is enrolled within
23 30 calendar days after the pupil membership count day or
24 supplemental count day shall not be counted as 1.0 full-time
25 equated membership. In addition, a pupil who was enrolled and in
26 attendance in a district, intermediate district, or public school
27 academy before the pupil membership count day or supplemental count

1 day of a particular year but was expelled or suspended on the pupil
2 membership count day or supplemental count day shall only be
3 counted as 1.0 full-time equated membership if the pupil resumed
4 attendance in the district, intermediate district, or public school
5 academy within 45 days after the pupil membership count day or
6 supplemental count day of that particular year. Pupils not counted
7 as 1.0 full-time equated membership due to an absence from a class
8 shall be counted as a prorated membership for the classes the pupil
9 attended. For purposes of this subsection, "class" means a period
10 of time in 1 day when pupils and a certificated teacher or legally
11 qualified substitute teacher are together and instruction is taking
12 place.

13 (9) "Rule" means a rule promulgated pursuant to the
14 administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to
15 24.328.

16 (10) "The revised school code" means 1976 PA 451, MCL 380.1 to
17 380.1852.

18 (11) "School district of the first class", "first class school
19 district", and "district of the first class", except in subsection
20 (6), mean a district that had at least 60,000 pupils in membership
21 for the immediately preceding fiscal year.

22 (12) "School fiscal year" means a fiscal year that commences
23 July 1 and continues through June 30.

24 (13) **"SCHOOL OF EXCELLENCE" MEANS A SCHOOL OF EXCELLENCE**
25 **ESTABLISHED UNDER PART 6E OF THE REVISED SCHOOL CODE.**

26 (14) ~~(13)~~—"State board" means the state board of education.

27 (15) ~~(14)~~—"Superintendent", unless the context clearly refers

1 to a district or intermediate district superintendent, means the
2 superintendent of public instruction described in section 3 of
3 article VIII of the state constitution of 1963.

4 (16) ~~(15)~~—"Supplemental count day" means the day on which the
5 supplemental pupil count is conducted under section 6a.

6 (17) ~~(16)~~—"Tuition pupil" means a pupil of school age
7 attending school in a district other than the pupil's district of
8 residence for whom tuition may be charged. Tuition pupil does not
9 include a pupil who is a special education pupil or a pupil
10 described in subsection (6)(c) to (m). A pupil's district of
11 residence shall not require a high school tuition pupil, as
12 provided under section 111, to attend another school district after
13 the pupil has been assigned to a school district.

14 (18) ~~(17)~~—"State school aid fund" means the state school aid
15 fund established in section 11 of article IX of the state
16 constitution of 1963.

17 (19) ~~(18)~~—"Taxable value" means the taxable value of property
18 as determined under section 27a of the general property tax act,
19 1893 PA 206, MCL 211.27a.

20 (20) ~~(19)~~—"Textbook" means a book that is selected and
21 approved by the governing board of a district and that contains a
22 presentation of principles of a subject, or that is a literary work
23 relevant to the study of a subject required for the use of
24 classroom pupils, or another type of course material that forms the
25 basis of classroom instruction.

26 (21) ~~(20)~~—"Total state aid" or "total state school aid" means
27 the total combined amount of all funds due to a district,

1 intermediate district, or other entity under all of the provisions
2 of this act.

3 (22) ~~(21)~~—"University school" means an instructional program
4 operated by a public university under section 23 that meets the
5 requirements of section 23.

6 SEC. 27. (1) BEGINNING WITH 2010-2011, FOR THE FIRST 3 FISCAL
7 YEARS IN WHICH 1 OR MORE SCHOOLS OF EXCELLENCE LOCATED WITHIN A
8 DISTRICT ARE OPERATING, IF THE TOTAL NUMBER OF PUPILS WHO RESIDE
9 WITHIN THE DISTRICT AND WHO ARE COUNTED IN MEMBERSHIP IN ANY SCHOOL
10 OF EXCELLENCE EXCEEDS 2% OF THE TOTAL MEMBERSHIP OF THAT DISTRICT,
11 THE DISTRICT IS ELIGIBLE FOR A TRANSITION PAYMENT UNDER THIS
12 SECTION. THE AMOUNT OF THE PAYMENT SHALL BE CALCULATED AS FOLLOWS:

13 (A) FOR THE FIRST FULL FISCAL YEAR IN WHICH A SCHOOL OF
14 EXCELLENCE LOCATED WITHIN THE DISTRICT IS EDUCATING PUPILS, THE
15 AMOUNT OF THE PAYMENT IS THE DISTRICT'S MEMBERSHIP TIMES THE
16 PRODUCT OF .8 TIMES THE AMOUNT OF THE PER-PUPIL ALLOCATION FOR THE
17 SCHOOL OF EXCELLENCE, AS CALCULATED UNDER SECTION 20.

18 (B) FOR THE SECOND FULL FISCAL YEAR IN WHICH A SCHOOL OF
19 EXCELLENCE LOCATED WITHIN THE DISTRICT IS EDUCATING PUPILS, THE
20 AMOUNT OF THE PAYMENT IS THE DISTRICT'S MEMBERSHIP TIMES THE
21 PRODUCT OF .6 TIMES THE AMOUNT OF THE PER-PUPIL ALLOCATION FOR THE
22 SCHOOL OF EXCELLENCE, AS CALCULATED UNDER SECTION 20.

23 (C) FOR THE THIRD FULL FISCAL YEAR IN WHICH A SCHOOL OF
24 EXCELLENCE LOCATED WITHIN THE DISTRICT IS EDUCATING PUPILS, THE
25 AMOUNT OF THE PAYMENT IS THE DISTRICT'S MEMBERSHIP TIMES THE
26 PRODUCT OF .4 TIMES THE AMOUNT OF THE PER-PUPIL ALLOCATION FOR THE
27 SCHOOL OF EXCELLENCE, AS CALCULATED UNDER SECTION 20.

1 (2) A DISTRICT IS NOT ELIGIBLE FOR A TRANSITION PAYMENT UNDER
2 THIS SECTION FOR MORE THAN THE FIRST 3 FISCAL YEARS THAT A SCHOOL
3 OF EXCELLENCE LOCATED WITHIN THE DISTRICT IS IN OPERATION. HOWEVER,
4 IF A NEW SCHOOL OF EXCELLENCE LOCATED IN THE DISTRICT BEGINS
5 OPERATING AFTER THIS 3-YEAR PERIOD, THE DISTRICT IS ELIGIBLE TO
6 BEGIN RECEIVING A NEW TRANSITION PAYMENT UNDER THIS SECTION FOR THE
7 NEW SCHOOL OF EXCELLENCE.

8 Enacting section 1. This amendatory act does not take effect
9 unless Senate Bill No. 925

10 of the 95th Legislature is enacted into law.